

Michigan Manual 2013-2014 *Addendum*



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MICHIGAN MANUAL 2013-2014 ADDENDUM

PREFACE

Several changes occurred during the 97th Legislature following the 2013-2014 *Michigan Manual's* printing. These changes in Michigan government are reflected in the 2013-2014 Addendum. They include updates to chapters III, IV, and IX. Initially available on the Michigan Legislature's website, www.legislature.mi.gov, the 2013-2014 Addendum is also now included with the 2015-2016 *Michigan Manual*. An addendum detailing changes made during the 98th Legislature after the 2015-2016 edition of the *Michigan Manual* is printed will be made available online and printed in the 2017-2018 *Michigan Manual*.

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State Representative
PHIL PHELPS
D—49th Representative District

Office: Room N-898, Cora B. Anderson House Office Bldg., P.O. Box 30014, Lansing, MI 48909, (517) 373-7515, Fax: (517) 373-5817, E-Mail: repphelps@house.mi.gov, Website: <http://049.housedems.com/>

Committees: Energy and Technology; Health Policy; Oversight

Biography: Democrat, of Flushing; born May 1, 1979 in Flint; Mott Community College; bachelor's degree in political science, University of Michigan-Flint; Michigan State House of Representatives Democratic Communications office; regional director of external affairs for the Granholm-Cherry administration; special advisor for Democratic Leader Richard Hammel; chief of staff for Representative Faris; elected to the House of Representatives in a special election November 2013.

Office of the Auditor General
Doug A. Ringler, Auditor General

The audit function in Michigan is vested in the legislative branch of government, and the auditor general is appointed to serve an eight-year term by a majority vote of members of the House and Senate.

The auditor general is the principal executive responsible for **Office of the Auditor General** policies and practices, day-to-day audit operations, and liaison with the legislature. The Office of the Auditor General conducts post-financial and performance audits of state government operations. These include financial audits of the State of Michigan Comprehensive Annual Financial Report, federal funds subject to the Federal Single Audit Act of 1984, and individual departments and agencies. Additionally, performance audits are conducted of selected state programs and operations, and individual projects and reports are completed in response to legislative requests.



DOUG A. RINGLER
Auditor General

Doug A. Ringler was appointed Auditor General by the Michigan Legislature effective June 9, 2014. Mr. Ringler has held a variety of positions within State government for the past 26 years, most recently as the Director of Internal Audit within the executive branch. Mr. Ringler is a member of the American Institute of Certified Public Accountants and the Institute of Internal Auditors. He is a past recipient of the “Internal Auditor of the Year” Award, presented by the Institute’s Lansing Chapter.

Mr. Ringler graduated from Ferris State University and is a native of Reed City.

CONSTITUTIONAL EXECUTIVE OFFICERS

ELECTED OFFICERS

(Terms Expire January 1, 2015)

Governor

RICK SNYDER, Ann Arbor

Lieutenant Governor

BRIAN N. CALLEY, Portland

Secretary of State

RUTH JOHNSON, Holly

Attorney General

BILL SCHUETTE, Midland

APPOINTED OFFICERS

State Treasurer

KEVIN CLINTON, East Lansing

Superintendent of Public Instruction

MICHAEL P. FLANAGAN,¹ Lansing

¹Appointed Superintendent of Public Instruction by the State Board of Education effective July 5, 2005.



STATE TREASURER KEVIN CLINTON

R. Kevin Clinton was appointed as Michigan's 45th State Treasurer in November of 2013. Mr. Clinton had been serving as Director of the Department of Insurance and Financial Services since March of 2013, and had previously served as Commissioner to the Office of Financial and Insurance Regulation since 2011.

Prior to his work in state government, Mr. Clinton served for more than six years as president and CEO of American Physicians Capital, Inc. (APCapital), a publicly traded medical professional liability insurance provider based in East Lansing, MI. Before becoming president and CEO, Clinton worked as the company's vice president and chief operating officer.

Prior to joining APCapital in 2001, Mr. Clinton served for nearly five years as president and CEO of MEEMIC Insurance Company, a publicly traded property and casualty insurance holding company based in Auburn Hills, MI. Mr. Clinton was also chief financial officer at ProNational Insurance Company.

Mr. Clinton's extensive experience and expertise in the insurance industry also includes actuarial positions in the private sector as well as serving as chief actuary for the Michigan Insurance Bureau in the 1980s.

He holds Bachelors of Business Administration and Masters of Actuarial Science degrees from the University of Michigan.

Source: http://www.michigan.gov/treasury/0,4679,7-121-1755_1962-315566--,00.html

Revised April 1, 2014

DEPARTMENT OF CIVIL RIGHTS



MATTHEW WESAW, DIRECTOR (Effective October 2013)

Executive Office, Capitol Tower Building
110 W. Michigan Avenue, Suite 800
Lansing, MI 48933
www.michigan.gov/mdcr

The Michigan Civil Rights Commission was created by the Michigan Constitution of 1963 to carry out the guarantees against discrimination articulated in Article I, Section 2. As further stated in Article V, Section 29, the state constitution directs the commission to investigate alleged discrimination against any person because of religion, race, color, or national origin and to “secure the equal protection of such civil rights without such discrimination.” Public Acts 453 and 220 of 1976 and subsequent amendments have added sex, age, marital status, height, weight, arrest record, genetic disposition, and physical and mental disabilities to the original four protected categories.

The Michigan Department of Civil Rights was established in 1965 to provide a staff complement to the policy-making responsibilities of the commission. In 1991, the department was expanded further. During that year, the Michigan Women’s Commission was transferred from the Department of Management and Budget to this agency by executive order. In April 2011, the Asian Pacific American Affairs Commission, the Hispanic/Latino Commission and the Division on Deaf and Hard of Hearing were moved to MCDR, also through executive order.

The Department of Civil Rights enforces the state’s protections against illegal discrimination primarily by investigating discrimination complaints. The department also works to prevent discrimination through programs that promote voluntary compliance with civil rights laws and provides information and services to businesses on diversity initiatives, equal employment law, and procurement opportunities. Staff and allies also work to prevent discrimination through statewide educational initiatives on bullying awareness, eradicating hate crimes, increasing community response to incidents, improving the living and working conditions of migrant and seasonal farmworkers, and through the nascent Michigan Leadership Collaborative on Civil and Human Rights.

The department has offices in Marquette, Grand Rapids, Flint, Detroit, and Lansing. A complaint may be filed at any of the department’s offices, if the alleged discrimination has occurred within the past 180 days.



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DEPARTMENT OF

INSURANCE AND FINANCIAL SERVICES



ANNETTE FLOOD, DIRECTOR (Effective November 1, 2013)

611 W. Ottawa Street
P.O. Box 30220, Lansing, MI 48909
www.michigan.gov/difs

Created by Executive Order 2013-1, the Department of Insurance and Financial Services (DIFS) assumed the oversight responsibilities of the previous Office of Financial and Insurance Regulation (OFIR) on March 18, 2013. The Department also gained an economic development role dedicated to fostering economic growth in the insurance and financial services industries while protecting Michigan consumers.

Consisting of 350 professionals, the Department of Insurance and Financial Services administers 38 public acts and regulates a variety of individual licensees and entities, including: Blue Cross Blue Shield, HMOs, domestic and foreign insurance companies, banks, credit unions, insurance agents, agencies, adjusters, solicitors and counselors, mortgage licensees and registrants, deferred presentment companies and other consumer finance-related entities.

The Department is composed of 9 program and regulatory offices: Banking, Consumer Finance, Consumer Services, Credit Unions, General Counsel, Insurance Evaluation, Insurance Rates and Forms, Insurance Licensing and Market Conduct, and Policy.

The **Office of Banking** is responsible for the safety and soundness review of state-chartered banks and BIDCOs.

The **Office of Consumer Finance** is responsible for the licensing, regulation, and examination of entities and individuals doing business under various Michigan consumer finance statutes, including mortgage brokers, lenders, and servicers, mortgage loan originators, money transmitters, deferred presentment providers, direct loan companies, motor vehicle installment sellers and sales finance companies, and other consumer finance providers.

The **Office of Consumer Services** is responsible for managing consumer information and outreach, inquiries, and complaints; investigations of insurance agents/entities; web development and maintenance; forms development; and overseeing the communication center which serves as the initial point of contact for all incoming calls and visitors.

The **Office of Credit Unions** is responsible for the regulation, examination and supervision of Michigan state-chartered credit unions. The office is also responsible for processing corporate applications filed by depository financial institutions.

The **Office of General Counsel** is responsible for providing legal advice and representation to the Director and DIFS staff with respect to: enforcement actions, formal administrative hearings, orders, rules, statutes, regulations, bulletins, declaratory rulings, health benefit claims, and special projects; and processing PRIRA appeals. The general counsel serves as FOIA coordinator, represents the Director on the State Employees Retirement System board, and acts as liaison with the Attorney General and other state/federal agencies.

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DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET



DAVID BEHEN, DIRECTOR (Effective March 1, 2014)

George W. Romney Building
111 S. Capitol Avenue
Lansing, MI 48909
www.michigan.gov/dtmb

The Michigan Department of Technology, Management and Budget (DTMB) provides financial administrative and technology services and information to Michigan's state agencies, citizens and businesses as well as local governments and universities on a voluntary basis. With 2,700 employees, DTMB handles more than 42 managed facilities, 6.7 million square feet of leased space, 800 critical business applications, some 56,000 desktops as well as four retirement plans that serve one in 18 Michigan residents. DTMB is also responsible for state government's entire procurement portfolio of 1,200 contracts exceeding \$16.5 billion (\$3.9 billion annually).

Michigan is in a unique position given our fully unified services structure, advanced IT infrastructure and long-standing trust relationships across typical government boundaries. Another key asset is a new appropriation of \$47 million ongoing base funding for information technology. Approved in June 2012, these funds were made available in October 2012 and are being used to modernize state legacy systems, enable increased online and self-service for Michigan's state employees and the people we serve.

Building on this strong foundation, DTMB is laser-focused on placing the customer at the center of government service. No longer should customers have to understand how government is organized to get the services they need; through online channels and a one-stop mentality, there should be no "wrong door." While Michigan's opportunities in this arena are significant, they are tempered by budget and workforce constraints and will require continued investment in strengthening partnerships, a thorough understanding of business needs and relentless pursuit of excellence.

DTMB is a recognized model of governmental operations. Michigan's consolidation of IT with management and budget operations is considered a national best practice for using technology to transform and improve government. In October 2012, national rankings from the Center for Digital Government in conjunction with Government Technology magazine once again placed Michigan as one of only two states at the "A" level. The survey, conducted every two years, is the nation's most recognized and respected study of its kind.

The department derives its legal authority from the Management and Budget Act, Act 431 of 1984, as amended, and several executive orders. It is the summation of the former Department of Administration, which was created by Act 51 of 1948, as well as functions that had been under the office of the governor, such as budgeting, that were transferred by Executive Order No. 1973-7. Executive Order 2009-55, issued December 30, 2009, and effective March 21, 2010, combined the former Departments of Management and Budget (DMB) and Information Technology (MDIT) into the Department of Technology, Management and Budget.

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DEPARTMENT OF TREASURY



KEVIN CLINTON, STATE TREASURER (Effective November 1, 2013)

Richard H. Austin Building
P.O. Box 15128, Lansing, MI 48922
www.michigan.gov/treasury

The Office of State Treasurer is provided for by Article V, Section 3, of the Michigan Constitution of 1963. The State Treasurer is appointed by the governor, with the advice and consent of the senate, and serves at the pleasure of the governor.

The department was established by the Executive Organization Act of 1965, as a result of merging the operations of 6 agencies: State Treasurer, Department of Revenue, Municipal Finance Commission, Board of Tax Appeals, State Tax Commission, and Auditor General (except the state audit function). In addition, the Board of Equalization and Board of Escheats were abolished and their functions were absorbed by the new department.

Effective July 1, 1984, the Municipal Finance Commission was abolished, which transferred all powers and duties to the State Treasurer. Effective August 1991, the Michigan Tax Tribunal was transferred to the Department of Commerce (now Licensing and Regulatory Affairs) pursuant to Executive Order No. 1991-18. Effective May 1992, the Michigan Higher Education Facilities Commission and Michigan Higher Education Facilities Authority were transferred from the Department of Education to the Department of Treasury pursuant to Executive Order No. 1992-2. Effective April 8, 1995, the Michigan Higher Education Assistance Authority and Michigan Higher Education Student Loan Authority were transferred from the Department of Education to the Department of Treasury pursuant to Executive Order No. 1995-3. Effective January 1, 2000, all administrative responsibilities related to statewide educational assessments were transferred from the Department of Education to the Department of Treasury pursuant to Executive Order No. 1999-12. Effective December 21, 2003, the administration of the Michigan Educational Assessment Program (MEAP) tests was transferred to the Superintendent of Public Instruction. Effective March 4, 2010, 10 public finance authorities were consolidated into one, Michigan Finance Authority, an autonomous entity within Treasury, pursuant to Executive Order 2010-2.

The State Treasurer acts as principal advisor to the governor on tax and fiscal policy issues. The State Treasurer is the chairperson of the Michigan Education Trust and the Michigan Finance Authority. The State Treasurer serves as sole investment fiduciary to the judges, public school employees, state employees, and state police retirement funds. The State Treasurer also serves as treasurer of the retirement systems, the Legislative Retirement System, and the Mackinac Bridge Authority. The State Treasurer is also a member of the following boards, commissions, and task forces: Local Emergency Financial Assistance Loan Board, Michigan Early Stage Venture Investment Corporation, Michigan Economic Development Corporation Corporate Board, Michigan Economic Growth Authority, Michigan Judges/State Employees/State Police Retirement Boards, Michigan State Housing Development Authority, Michigan Strategic Fund, and the State Administrative Board.

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RESULTS OF SPECIAL ELECTION 2013

GENERAL ELECTION NOVEMBER 5, 2013, 49TH HOUSE DISTRICT¹

| Democratic Candidate | Republican Candidate | Other General Election Candidates | Primary Candidates Currently or Formerly Holding State Elected Office |
|----------------------|----------------------|-----------------------------------|---|
| Phil Phelps | Don Pfeiffer | Pat Clawson (Lib) | |

Bold is winner of the general election

¹ Former Representative Jim Ananich was elected to the State Senate, May 7, 2013 in a special election, leaving a vacancy in the 49th House District.
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